

# **State of Alaska FY2003 Governor's Operating Budget**

**Office of the Governor  
Performance Measures**

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**Governor's Key Department-wide Performance Measures for FY2003****Measure:**

Performance measures in departments' budgets are integrated with trend data available from departments to facilitate the development of performance measures in the future, and the assessment of whether performance has achieved the target levels.

**Alaska's Target & Progress:**

The Governor's Executive Budget Summary (EBS) for FY1997 included a few key performance measures for each department. One of the FY97 measures was for OMB to design and implement a new statewide budget system. Performance measures are now an integral part of the budget system. Three years ago, the legislature began working on missions and performance measures with departments. At the same time, the executive branch was expanding its use of performance measures as well as targeting their use to program areas where tracking progress, or the lack of it, is vital. To help bring focus to the goals and objectives of the Governor and the legislature, the reporting of performance measures in the Alaska budget system was simplified. The most significant Governor's performance measures are now presented at the department level in budget submissions, all legislative performance measures are presented at the budget request unit level. Performance measures are not repeated at the component level.

**Benchmark Comparisons:**

Other states vary in the number of key performance measures they track. Several that started with hundreds of measures eventually reduced the number to focus on the most important areas. The State of Alaska has gone through this process as well, and is also simplifying and reorganizing its use of performance measures. The purpose is so measures of special concern to lawmakers, the public, and agencies can be easily identified and tracked, as well as linked to broader indicators of change in selected program areas.

**Background and Strategies:**

In FY 2003, the use of performance measures will be taken a step farther, to link the assessment of performance as proposed in the budget to the use of trend indicator data which will help evaluate the degree to which progress has been accomplished. One aspect of this will be integration with the Department of Community and Economic Development's outstanding new online Alaska Economic Information System (currently in prototype development). With these new tools, trend indicator information will be much more easily available to the public and agencies.

Other states have learned that the process develops best when the executive and legislative branches work together to identify areas needing measures, agree on data needs and constraints, set targets for improvement that are aggressive but achievable, and adjust targets if necessary to meet the funding levels which are ultimately appropriated. The Knowles/Ulmer Administration is committed to working with the legislature to continue establishing viable performance measures and using the results to help evaluate budget needs and program effectiveness.

**Measure:**

DGC will bring affected local coastal districts and state and federal agencies together within 50 days to resolve issues for coastal projects requiring multi-agency permits.

**Alaska's Target & Progress:**

In FY2001, the average project review time for completed project reviews was 48 days, which is less than the required 50 days under regulation 6 AAC 50.

**Background and Strategies:**

A coordinated consistency review involves a review of multiple permits and the bringing together of a number of stakeholders to resolve any conflicts and issues. As the coordinator of this process, the Division identifies any systemic bottlenecks and seeks long term solutions that will improve the total time to complete a consistency review.

## BRU/Component: Office of Management and Budget

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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### Key Performance Measures for FY2003

#### Measure:

Performance measures in departments' budgets are integrated with trend data available from departments to facilitate both the development of performance measures in the future, as well as the assessment of whether performance has achieved the target levels.

#### Alaska's Target & Progress:

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In FY 2003, the use of performance measures will be taken a step farther, to link the assessment of performance as proposed in the budget to the use of trend indicator data which will help evaluate the degree to which progress has been accomplished. One aspect of this will be integration with the Department of Community and Economic Development's outstanding new online Alaska Economic Information System (currently in prototype development). With these new tools, trend indicator information will be much more easily available to the public and agencies.

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Other states have learned that the process develops best when the executive and legislative branches work together to identify areas needing measures, agree on data needs and constraints, set targets for improvement that are aggressive but achievable, and adjust targets if necessary to meet the funding levels which are ultimately appropriated. The Knowles/Ulmer Administration is committed to working with the legislature to continue establishing viable performance measures and using the results to help evaluate budget needs and program effectiveness.

#### Measure:

100% of granting agencies and grantees will be notified of audit requirements at least 3 months before single audits are due.

#### Alaska's Target & Progress:

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A database is used to identify which state and/or federal grant recipients are required to have single audits and whether the audits contain findings and questioned costs. In FY2002 all grantees required to have a single audit will be notified of this requirement in sufficient time to have their audit conducted and submitted by the due date. Follow-up by OMB on audits with findings and questioned costs takes place on a monthly basis.

**Benchmark Comparisons:**

OMB has caught up with a significant backlog of audit reviews. Comparative information on other state's timeframes has not been gathered.

**Background and Strategies:**

As the state coordinating agency for single audits, OMB must ensure that entities expending \$300,000 or more per fiscal year in state financial assistance have an audit submitted within 9 months after the fiscal year end. Audit findings and questioned costs must be resolved by agencies within 6 months of the receipt of final audits.

As a recipient of federal financial assistance, OMB must ensure that the State's subrecipients of federal financial assistance submit federal single audits within 9 months after the fiscal year end. Audit findings and questioned costs must be resolved by agencies within 6 months of the receipt of final audits.

OMB has streamlined the compilation of financial information so recipients are notified of audit requirements at least 3 months before the audits are due. OMB is closely tracking audits with findings and questioned costs to ensure that the granting state agencies are monitoring the resolution process.

## **BRU/Component: Governmental Coordination**

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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## **Key Performance Measures for FY2003**

### **Measure:**

Governmental Coordination will bring affected local coastal districts and state and federal agencies together within 50 days to resolve issues for coastal projects requiring multi-agency permits.

### **Alaska's Target & Progress:**

In FY2001, the average project review time for completed project reviews was 48 days, which is less than that required 50 days under regulation 6 AAC 50.

### **Background and Strategies:**

A coordinated consistency review involves a review of multiple permits and the bringing together of a number of stakeholders to resolve any conflicts and issues. As the coordinator of this process, the Division identifies any systemic bottlenecks and seeks long term solutions that will improve the total time to complete a consistency review.